

FEDERALS ROUT VILLA IN SECOND JUAREZ ATTACK

Rebels, Driven From City, Resume Fighting and Wound Garrison Chief.

BULLETS FALL IN EL PASO

American Prisoner Is Killed in Street Battle—U. S. Force Patrols Border.

El Paso, June 15.—After having been driven out of the city late last night and early this morning, following severe street fighting, during which bullets hit several hotels and buildings in downtown El Paso, rebel troops under the command of Gen. Francisco Villa attacked Juarez again this afternoon. Fighting between them and the Federal garrison was resumed about 4:30 o'clock, and by 6 o'clock the rifle fire was more general than at any time last night. Gen. K. Gonzalez Escobar, chief of the Federal garrison, commanded his troops until he had been wounded five times, when he was rushed across the international bridge into El Paso for medical attention. Federal troops charged the rebels down Calle Comercio, repelling them, and, according to the reports of the garrison commanders, routing them. It was during this charge that Gen. Escobar received his most serious wound. A shortage of ammunition is believed to have been one of the reasons for the retreat of the rebels.

During the fighting of the early morning, the tide of battle flowed in favor of Villa until about 8 o'clock, when the rebel firing ceased and the retreat began. Officers of the garrison claim to have taken sixty prisoners, fifty of them unharmed, and to have the bodies of 150 Villa soldiers. The Fifth and Seventh Cavalry regiments crossed at three o'clock from El Paso.

A battalion of the Eighty-second Artillery crossed east of the stock yard. There were approximately 5,000 American troops on Mexican soil ten minutes after they were ordered to make the crossing.

Col. Selah R. H. Tompkins of the Seventy-second Infantry was in command of the cavalry brigade which crossed at the ford and Col. Haddell was in command of the infantry. Two armored motor cars crossed the International Bridge at 10:35. The reason given at military headquarters for ordering the troops to cross was to prevent firing from the Mexican side on El Paso.

Brig. Gen. James G. Erwin said the troops went across the boundary solely to stop Villa troops from firing further shots into El Paso. He added emphatically that it was not to be an invasion of Mexico, that the situation was fully understood and that no resistance was anticipated from the Carranza forces.

TO FORM FIUME ARMY.

National Council Decides Upon Defensive Measures.

Rome, June 15.—Reports from Fiume state that the National Council met on Friday and after reviewing the political situation with the Mayor of the city, concurred in the view that it was necessary to form an army in Fiume for the defense of the city's liberty and independence.

The council voted by acclamation a bill creating an army of Fiume, the necessary funds to be provided by an issue of treasury bonds amounting to \$20,000,000. The council decided to entrust the organization of the army to the poet Seno Benelli, a former Captain in the Italian army, who had secured that justice throughout the territory of Fiume would be administered in the name of the King of Italy.

CARRANZA IS TOLD TO GUARD U. S. LIVES

State Department Is Holding Him Responsible.

Special Despatch to THE SUN.

WASHINGTON, June 15.—Venustiano Carranza, President of Mexico, has been notified by the State Department that he will be expected to take measures to insure the safety of Americans and their property. This applies not only to Americans in Mexico and their belongings, but persons and property on the American side of the line.

The official statement to-night said that the "proper steps" had been taken and the State was not officially disclosing because of the usual courtesy of not making such matters public prior to their official receipt by the Government to which they are addressed. However, it is understood on unquestionable authority that this demand has been despatched to Mexico City.

Gen. Cabell in command of the Southern Department of the army with headquarters at San Antonio, requires no additional instructions to take care of the situation so far as American troops are concerned. He has blanket instructions or orders to take every precaution and safeguard he thinks may be necessary to protect American lives and property along the border. He has an ample number of men to carry out these instructions, the War Department has repeatedly said.

Unofficial advice reaching here to-day said that stry bullets had struck two American soldiers during the fighting and the State was not officially disclosing whether they were killed or only wounded, and if wounded the extent of their injuries.

Officials of the Administration having to do with the foreign affairs of the nation are particularly anxious about the Juarez affair, largely because of the assurance given publicly here last night by Candido Aguilar, Carranza's son-in-law, who is on a special mission to the United States, the nature of which has not yet been officially disclosed. Aguilar said the Carranza forces in the vicinity of Juarez were amply able to dispose quickly of any threat from the Villa troops.

Juarez is important to both factions because it is a large port of entry into Mexico and has valuable railroad connections. The Villa forces, which make it practically imperative for an army to possess the town to be successful. Further fighting for its possession is practically a certainty.

U. S. TROOPS CROSS BORDER.

Infantry, Cavalry and Artillery All on Mexican Soil.

El Paso, Texas, June 15.—A battalion of the Twenty-fourth Infantry crossed the international border to Juarez at 11 o'clock to-night. The Fifth and Seventh Cavalry regiments crossed at three o'clock from El Paso.

KOLCHAK DEPENDS ON U. S. MONEY AID

He Is Said to Be in Financial Straits and Wants Quick Help.

IS HAVING REVERSES

Admiral Reported to Have Given Japan Sphere of Influence in East Siberia.

Special Cable Despatch to THE SUN.

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PARIS, June 15.—Admiral Kolchak looks to the United States to rescue his campaigns in Russia. An official of the French Foreign Office admitted this to the correspondent of THE SUN to-day. There is a difference of opinion among observers of Russian affairs as to the wisdom of the assumption by the Allies of this burden although their action has not yet gone so far as the formal recognition of the Kolchak Government.

In American circles here comment has been active since it became apparent that the largest part of the aid expected must come from the United States. Kolchak's line is 150 miles behind where it was at the time of the coup d'etat which elevated him to power last November and he is suffering continued reverses.

It is pointed out here that unless he achieves success before September 1 his cause probably will be lost as about that date snow will end the possibility of fighting, and the Russians and Bolsheviks will enter into an enforced truce. Kolchak is declared to be in serious financial straits.

Comment has been aroused also by the reported understanding reached with the Japanese to the effect that Kolchak has granted to Japan a sphere of influence in East Siberia. It is asserted that such an agreement was reached at a conference with Gen. Kalmikov, who, with Gen. Semenov, self-proclaimed Grand Duke of Mongolia, is suspected of accepting favors from Tokyo.

European diplomatic circles are awakening to the situation in the United States. A high French diplomatic authority commented bitterly to THE SUN to-day over the failure of the French embassy in Washington to keep the Government informed properly on the situation in America. He declared, the pressure of American public opinion is being applied too late to make changes. He insisted that all of President Wilson's pledges had been accepted as made in the name of the United States, but now he saw the mistake.

According to this authority, the French Government had maintained a censorship over despatches to the French newspapers from America and Great Britain at the request of President Wilson and Premier Lloyd George, which accounted partly for the lack of information in regard to the trend of public opinion in the United States.

This official recalled in this connection that President Wilson had threatened to have the conference removed from Paris following the articles in the *Echo de Paris* attacking him. This, he said, had frightened the Government into making the censorship upon all American despatches still tighter. The President's spokesman denied at the time that this was being done because the President had admitted such a censorship; this is now flatly contradicted by this responsible official of the French Government, who admitted freely that the censorship had been made in adopting this policy.

The French insist, however, that the British and Americans are chiefly responsible for the treaty and therefore they must stand by France now. They point out also that even if the Knox resolution should be passed ratification by three nations will make the treaty effective. In the meanwhile, upon all resolution the French newspapers are speculating on what will happen. *L'Action Francaise* says that severing the covenant of the league would be equivalent to the rejection of the American treaty and asks what the Wilson conference will do then. It adds:

"It would seem a miracle now if the treaty were ratified at Washington. It is extraordinary that this situation does not command more attention, for whether Germany signs or does not sign, what is important is to know what will happen when the American Senate shall have sent back the league and the treaty to their authors."

LEAGUE NOT VITAL TO PEACE TREATY

Reparation Commission Has Duty of Restoring Europe.

Special Despatch to THE SUN.

WASHINGTON, June 15.—Several members of the Diplomatic Corps here, without wishing to take sides for or against the Knox resolution, believe it is important at this particular time for the United States Senate and American people to appreciate the following salient facts with respect to the peace treaty and the League of Nations.

First, the League of Nations has nothing to do with the restoration of Europe or the establishment of peace on a firm basis under the terms of the treaty, and, practically, nothing to do with the execution of the treaty.

Second, the agency chosen to restore Europe economically and financially and the agency chosen to really establish peace and execute the treaty is the Reparation Commission, which Premier Clemenceau has succeeded in keeping independent of the League of Nations.

Third, the League of Nations, except in some minor details, applies to future international relationships and not to either the actual conditions established by the treaty or the conditions which will arise and be dealt with as the result of the terms of the treaty.

Clarification Expected.

All changes in the treaty will not affect these facts. It is practically certain. In pointing out these essential facts these diplomats believe that the situation may be clarified when the resolution of Senator Knox comes up for mature discussion.

Despite the fact that the treaty appears at first glance to be based upon the League of Nations and closely interwoven, careful analysis speedily shows that the treaty and the league are really independent of each other.

To delay action on the league covenant would have practically no effect whatever on the establishment of peace or the execution of the treaty, they say. Even if the league should be formed, it would have no voice whatever in such practical problems as restoring Europe to health and forcing Germany to carry out the treaty.

The league, meeting at Geneva, would occupy itself with problems quite apart from the practical tasks which have been entrusted to the Reparation Commission. The attention of Senators is particularly invited to that part of the peace treaty dealing with the commission and duties of the Reparation Commission because it is believed that any Senator who reads this over carefully will necessarily see how all the practical peace problems are immediately future are intentionally kept separated from the league.

In other words, the allied Govern-

ments have purposely provided a practical plan to restore Europe economically and financially and to insure lasting peace, which is in no vital respect dependent upon the league.

Question of Precaution.

Consideration had to be given, it is explained by diplomats, to the probability or possibility that the whole league plan might fail, or be rejected or prove unworkable or develop at its very inception some of the weaknesses which practical statesmen have insisted were bound to result in its speedy abandonment.

The vital peace problems and the immediate future of Europe could not, it is added, be entrusted to anything in the way of an experiment. Consequently the Reparation Commission got all the real power in connection with the carrying out of the treaty.

It is essential at the outset, these diplomats explain, to realize with this all-powerful Reparation Commission is independent of the league. It meets in Paris, as soon as practicable, after the treaty is signed and is made up of principal representatives from the United States, Great Britain, France and Italy with representatives from Japan, Belgium, Serbia and other associated Powers sitting in when their interests are affected.

The four principal Powers have representatives and an assistant who may take his place is required. Even a casual reading of that portion of the peace treaty dealing with this commission, diplomats aver, will show its tremendous power. It is in itself a practical working league. But with the important detail that they are to suggest of entangling alliances, each representative is responsible only to his sovereign Government and each Government reserves to itself the liberty of action in passing upon the many vital matters which are bound to come before it.

WILSON MAY REPLY TO SENATOR KNOX

Considers Issuing Public Statement Designed to Defeat Resolution.

FRANTIC APPEALS SENT

Wilson Alarmed and Resentful—High French Official Complains of Censorship.

By a Staff Correspondent of THE SUN.

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PARIS, June 15.—Alarmed and resentful over the resolution of Senator Knox, President Wilson is considering the issue of a public statement designed to accomplish its defeat. The President has been strongly urged by some of his friends here to take this course and it is known that he has received frantic appeals for help from Democrats at home.

It is suggested either that he send a cable message to be read by a Democratic Senator or even that he might go further and issue a public statement putting the Republicans in the position of trying desperately to embarrass the peace negotiations in their final and most critical stages.

It is evident, however, that up to this time the President has not made up his mind what to do and is considering the chances of success for a Democratic filibuster. His friends are urging that he should make a statement giving encouragement to the Germans not to sign the treaty.

European diplomatic circles are awakening to the situation in the United States. A high French diplomatic authority commented bitterly to THE SUN to-day over the failure of the French embassy in Washington to keep the Government informed properly on the situation in America. He declared, the pressure of American public opinion is being applied too late to make changes. He insisted that all of President Wilson's pledges had been accepted as made in the name of the United States, but now he saw the mistake.

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Restoration of Europe.

It is stated specifically that the commission has the duty "to restore Europe" financially, economically and otherwise. The practical method to be followed is to make Germany pay the bill and now make good Europe's needs. In this respect the method differs from the basic idea of the league, which is to make the United States and other nations suffer help pay the bill.

SOCIALIST CHIEF DEFENDS TERMS

Bernstein Creates Storm in German Convention by Peace Talk.

SEES NO "THROTTLING"

Asserts That Nine-tenths of Conditions Imposed by Allies Are Necessary.

By KARL H. VON WIEGAND.

Staff Correspondent of THE SUN.

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WEIMAR, June 12 (delayed).—"The peace conditions are severe, very severe, but we must recognize that a large part of them have grown out of necessity; yes, nine-tenths of them are necessary."

The convention of the Majority Socialist party would not have been more surprised if a bomb had been thrown into the meeting than they were by this assertion made by Eduard Bernstein, the aged chieftain of the former revisionist wing of the party, during a speech at this morning's session.

The meeting, which might be compared to the political conventions of the Republicans or Democrats at home, was thrown into an uproar, and the National Theatre, where the convention is being held, resounded with cries of "No, no; that is not true!" The delegates pounded with their feet in protest and even the thinly occupied galleries joined in indignant disapproval. Ministers Noske and Bauer, who were sitting on the stage, were among those whose indignation broke through parliamentary restraints and shouted at Bernstein.

Bernstein stands alone.

The latter was unmoved by the uproar; he even repeated "Yes, nine-tenths was necessary," notwithstanding the angry shouts. The storm which he created swept over the house repeatedly during both sessions, and Bernstein was excoriated by every speaker during the remainder of the day. It was evident that he was a minority of one in the convention and that the general opinion was with Otto Bruhn, a member of the executive committee, who declared that it was a misfortune for the German people that at the moment they were protesting their utmost against the "throttling peace" Bernstein should have strengthened the other side with such an assertion.

Bernstein created another uproar when he declared that the language of East Prussia and West Prussia, with small exceptions, corresponded with the line of demarcation laid down in the peace terms. He added: "There are Americans who mean well with Germany. One of these recently has written a remarkable letter to President Wilson. Another who visited me declared that the President's position with the Entente has been made doubly hard by speeches and certain political appointments made in Germany."

The general indignation against Bernstein reached such a pitch that evidently he considered it advisable to placate the convention by a more or less ungraceful retreat, and in the afternoon session he practically withdrew the assertion by a declaration that he had been misunderstood and had not made such a statement. He added: "Never have I said that nine-tenths of the peace conditions were justified. I said that the present powerlessness of Germany might make it necessary to accept nine-

tenths of them. Neither have I ever spoken of the guilt of the German people, but always of the guilt of those who deceived the people."

235 Resolutions Offered.

To prove that he could not have said what was attributed to him Bernstein declared that when he was asked recently by a foreign correspondent if Germany would sign the treaty he had replied: "If even a trace of free will is left to it, it will not sign."

Chancellor Scheidemann, whose speech was to be the keynote of the convention, preceded Bernstein. He is a clever speaker, but was not at his best. While more polished than the blunt Noske, who spoke yesterday, he lacked the frankness and vigor of the latter in answering specific criticisms of his Government's policy.

His speech did not appear to allay fully the dissatisfaction rampant in his party as reflected in 238 resolutions and requests for specific actions introduced up to noon to-day. Scheidemann made defiance to threats of a coming reactionary counter-revolution and warned his hearers that if reaction dared to lift its head and attempt to rob the people of the fruits of the revolution it would be put down in a way "that they would not forget in eternity."

Armed Force Still Necessary.

To the charge that the Government was ruling by force, the same as the old regime, he declared: "We abhor every arbitrary power, but we still are far distant from that ideal state where we can rule without armed force." He added that the Government must retain an armed force to defend itself and its principles not only against the Radical left but also the reactionary right. He continued: "Victorious capitalism is seeking to force its forms upon socialist Germany and to make the German people wage slaves." To those of his own party who were criticizing the Government because it was not accomplishing more for Socialism he pointed out that the Socialists were not a majority in Germany, and all legislative measures must also have the approval of some of the other parties.

He asserted that even if the allied and associated Powers had not a soldier left it would be all the more Germany's duty to attain a just peace. "Might, with its transitory power, passes away; but right endures through injustice and wrong. We say, 'Ground arms.' No longer are all against one another, but all are with one another and for one another." In conclusion he said: "We were defeated; yes, that is true; but now upward and forward to real victory."

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BERLIN, June 14 (delayed).—The Majority Socialist party conference at today's session voted unanimously in favor of a united German republic. Other action taken by the conference was:

It voted the Government project to create a fund of \$250,000,000, to be obtained by adding an extra hour to the working day, the pay for which will go to the Government.

It condemned the recent execution by the Bavarian Government of the Communist leader, Lise Nissen.

It voted in favor of the withdrawal of the German troops from Esthonia and Lithuania.

It passed a resolution demanding the abolition of the death penalty.

Former Emperor William "belongs in the pathological ward" and is not wanted in Germany, declared Herman Mueller, Majority Socialist leader and whip in the National Assembly, in a speech to-day.

Herr Mueller, who is one of the most conservative of the Socialists, referring to the rumor that an attempt was to be made to bring about the return of the ex-emperor, warned the Prussians said to be interested in such a move that a majority of the German people would not permit his return. The speaker declared the former ruler was dangerous to the country, and blamed his verbosity for Germany's misfortunes. Herr Mueller's speech was received with cheers.

GERMAN DYE PLOT HERE TO BE EXPOSED

Planned to Throw Million Men Into Idleness.

Special Despatch to THE SUN.

WASHINGTON, June 15.—A new licensing plan for the protection of the dye industry and a report telling how the dye industry is to throw a million men out of employment in an attempt to embroil this country in difficulties with Great Britain are to be presented to the Ways and Means Committee to-morrow.

According to announcement to-day of Francis P. Garvan, Allen Property Custodian and president of the Chemical Foundation, Inc.

Mr. Garvan said he would disclose the methods of the German dye factories and their agents in this country to break down the dye industry here. He promised to present many important German documents to the committee.

The German dye factories were able to turn out huge quantities of high explosives and noxious gases as soon as the war started, said Mr. Garvan, and thus placed their enemies under a heavy handicap.

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